

CORPORATE REPORT TO THE COMMUNITY



FISCAL YEAR ENDING DECEMBER 31, 2008, AND BUDGET YEAR 2009

STEADY AS WE GO CITY REMAINS FINANCIALLY STRONG

By Mayor Gene Winstead

WHEN WE THINK in terms of sustainability we think about the things we do out of concern for the environment. But sustainability also means managing our city in a fiscally sound manner in order to meet our community's future needs.

The City prides itself on solid financial planning and using a "steady as we go" approach to the cost of property tax-supported services – meaning that incremental adjustments are made slowly and on an as-needed basis. In addition, the City uses a "pay as we go" approach to spending and doesn't defer payment on projects that can increase the costs in the long run. This approach was instituted during the economic downturn in the late 1990s. When it comes to staffing, every position is carefully analyzed. The City engages only the number of employees that can be supported through an economic downturn.

In Bloomington, revenue has remained strong and generally outperformed budget expectations. This is due to the City modeling most of its major funds over a 5- to 10-year timeframe and anticipating that there would be economic cycles in those timeframes. The City developed strategies in the 1990s to deal with normal cycle variation.

The City's financial position and conservative spending pattern have helped keep tax increases low as evidenced by the City maintaining the highest bond ratings from Standard and Poor's, Moody's, and Fitch credit rating agencies. See page CR6.

The City Council adopted a final property tax levy for 2009 of \$43,315,480, an increase of 3 percent over the 2008 levy, and approved the 2009 General Fund Budget of \$54,759,553, a 5.32 percent



increase. Other fund budgets, including Enterprise, Internal Service and Special Revenue Funds, were also approved by the City Council in 2008.

The budget for fiscal year 2009 is a strong financial plan that will move Bloomington toward its long-term goals. Efforts to provide housing alternatives and revitalize commercial areas with sustainability in mind will continue to be a priority for 2009.

These projects are currently in the planning or implementation stages:

The **Penn-American District Plan** will create a livable retail, office and residential neighborhood adjacent to the I-494 and I-35W interchange.

A plan for the **Airport South District**, located immediately south of the Minneapolis-St. Paul International Airport, will guide future land use, transportation, urban design and redevelopment of this important commercial and employment center. See page CR4.

The **Normandale Lake District** contains about 15 percent of the city's commercial and residential development potential. A distinctive gateway to Bloomington, the Normandale Lake District is already established as the

metropolitan area's preeminent suburban office location and home of a park reserve of regional significance.

Other **developments** include: Richdale Group's 418-unit apartment complex at 82nd Street and Stanley Avenue; Covington Apartments' 250 luxury rental apartment units on Green Valley Drive, just north of Normandale Lake Boulevard; and Richfield Bloomington Credit Union's proposed two-story development for Lyndale Avenue at West 96th Street that will include a financial institution, office and retail spaces, and two restaurants.

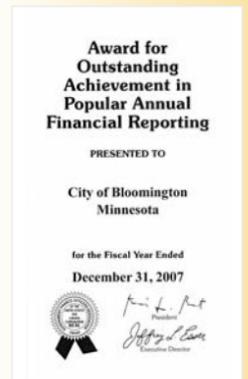
Advances in technology, excellent financial planning, a commitment to creating a more sustainable city through education, energy conservation and new initiatives will continue to position Bloomington as a model for other cities.

THROUGHOUT THIS REPORT

The monthly expenses for City services described in this report use a median-priced home in Bloomington that has an assessor's market value, payable in 2009, of \$242,800, with monthly property taxes for City services of \$65.17.

INSIDE

- PAGE CR2. Value for Your Dollar.
- PAGE CR3. Sustainable Service.
- PAGES CR4 AND CR5. Leading the Way to Sustainability.
- PAGE CR6. Setting High Standards.
- PAGE CR7. Enterprise, Internal Service and Special Revenue Funds.
- PAGE CR8. Capital Projects and Debt Service.



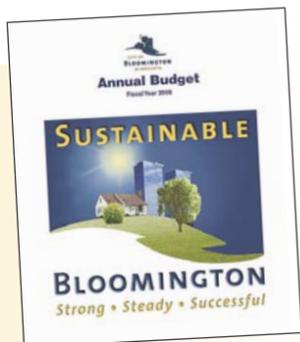
FINANCIAL AWARDS

THE GOVERNMENT

Finance Officers Association (GFOA) of the United States and Canada has given the City of Bloomington the Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ended December 31, 2007. This prestigious national award recognizes the City's conformance with the highest standards for preparation of state and local government popular reports.

The City of Bloomington has received the Popular Award for nine years, the Distinguished Budget Award for 12 years and the Certificate of Excellence in Government Reporting for the past 37 years.

We are passionate about sustainability! How many times can you find a form of the word sustainable in this report? Answer on page 8.



FINANCIAL REPORTS ONLINE

CHECK OUT the financial reports online. Bloomington's 2009 Annual Budget, Budget Summary, 2008 Comprehensive Annual Financial Report and Corporate Report to the Community are available on the City's website. Visit www.ci.bloomington.mn.us, keywords: Finance Department.

2008 Sustainable numbers



33

Percent of space in Bloomington set aside for **PARKS AND OPEN SPACES.**



360

Truckloads of **DISEASED TREES** Bloomington gives to District Energy in St. Paul to recycle.



90

Percent of runoff reduction in **HARRISON PARK** due to permeable asphalt parking lot and rain gardens.